

**HOUSE BILLS
FIRST EXTRAORDINARY SESSION – 1999**

House Journal - 1999

Number	SPONSOR	DESCRIPTION	Passed First Consideration	Passed Second Consideration	Senate Bill Substituted	Passed Third Consideration	Passed by Senate	Signed by Speaker of House	Signed by Speaker of Senate	Signed by Governor	OTHER ACTION	CHAPTER NUMBER
1	McDaniel, et al	Enacts "The Tax Reform Act of 1999."	8	15	SB	Page					8, 21	
2	Kisber, et al	Establishes review and sunset program for certain tax exemptions that result in revenue losses of \$1 million or more.	8	15								
3	Hargrove	Revises pass-through entities taxation law.	14	21								
4	Hargrove	Repeals special privilege tax.	14	21								
5	Hargrove	Defines "pass-through entity" and "doing business in Tennessee" for franchise/excise tax purposes; provides that for purposes of apportionment, pass-through entities in which taxable entity has interest in profits or capital shall be disregarded as separate entity and tax attributes shall be attributed to each owner of such entity to extent of such owner's ownership interest.	15	21								
6	Hargrove	Increases amount of amusement tax exemption for membership dues or fees of recreation club or community service organization from \$150 to \$175 per member per annum.	15	21								
7	Kisber	Enacts "Tax Act of 1999."	20	28								
8	Kisber	Deletes exemptions to sales and use tax.	20	28								
9	Kisber	Exempts from sales and use tax edible food or food products for home consumption, as defined by federal Food Stamp Act of 1977.	20	28								
10	Hargrove	Defines "pass-through entity" and "doing business in Tennessee" for franchise/excise tax purposes; provides that for purposes of apportionment, pass-through entities in which taxable entity has interest in profits or capital shall be disregarded as separate entity and tax attributes shall be attributed to each owner of such entity to extent of such owner's ownership interest.	20	28								
11	Hargrove	Revises pass-through entity taxation laws.	20	28								
12	Hargrove, et al	Revises actions commissioner of revenue can take to prevent tax evasion or to clearly reflect income.	20	29							92, 97	
13	Hargrove	Enacts the "Fair Sales Tax Law of 1999."	20	29								
14	Newton	Repeals professional privilege tax.	21	29								

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15	Hargrove	Increases amount of amusement tax exemption for membership dues or fees of recreation club or community service organization from \$150 to \$175 per member per annum.	21	29								
16	Newton	Repeals special privilege tax	35	46								
17	Winningham	Effective 1/1/2000, exempts from sales and use tax edible food or food products for home consumption, as defined by federal Food Stamp Act of 1977.	35	46								
18	Wood	Abolishes Hall income tax, effective January 1, 2000.	35	46								
19	Westmoreland	Exempts from sales and use tax edible food or food products for home consumption, as defined by federal Food Stamp Act of 1977.	35	46								
20	Westmoreland	Closes loopholes for franchise and excise tax.	35	46								
21	Kernell	Removes sales tax from residential telephones.	35	47								
22	Kernell	Exempts from sales and use tax edible food or food products for home consumption, as defined by federal Food Stamp Act of 1977.	35	47								
23	Phelan	Exempts from sales and use tax all charges for architectural, landscape architectural or engineering services whether sold, used or consumed.	35	47								
24	Jackson	Enacts "Extraordinary Good and Fair and Common Sense Approach to Health Care and Funding Thereof Act."	35	47								
25	Jackson	Doubles tax on cigarettes from 6 1/2 mills on each cigarette to 13 mills.	35	47								
26	Newton, et al	Extends franchise and excise tax to all forms of business including LLCs, LLPs and sole proprietorships; revises sales tax exemptions; removes for profit state sales taxes from essential food items defined as bread, milk, eggs, baby food and baby formula.	36	47								
27	Newton, et al	Exempts essential food items from sales tax; defines "essential food items" as bread, milk, eggs, baby food and formula.	36	47							39	

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28	Newton, et al	Constitutional Conventions - Proposes amendment to Article XI, Section 5, relative to lotteries.	36	47								39	
29	Maddox	Extends privilege and excise tax exemption on gas, water and electric current for cities and political subdivisions to persons meeting criteria of exempt wholesale generators or FERC certified wholesale power marketers under Federal Power Act; extends such exemptions for miscellaneous public utilities to exempt wholesale generators and FERC certified wholesale power marketers under Federal Power Act	36	47									
30	Armstrong, et al	Increases sales tax rate from 1 to 6 percent on sale of water to manufacturers; increases sales tax rate from 1.5 percent to 6 percent on sale of gas, electricity and energy fuels to manufacturers; removes state sales tax exemption and imposes 6 percent state sales tax on sale of gas, electricity and energy fuels sold directly to consumers for residential use; earmarks 0.5 percent portion of sales tax increases for education purposes.	36	47									
31	Stulce	Removes sales tax exemptions; cuts state and local option sales/use tax rates in half; and broadens applicability of franchise and excise tax laws.	36	47									
32	Kisber	Defines "non-financial unitary business" for purposes of excise tax law as business activities of any affiliated businesses that license, lease or transfer intangible property other than patents including trademarks, copyrights and licenses for mutual benefit.	36	47									
33	Kisber	Requires net earnings for excise tax purposes to be apportioned by multiplying the earnings by the sales factor only, for tax years beginning on or after July 1, 1999.	36	47									
34	McKee	Imposes 6 percent tax on gross charge for all business, personal, financial, health and medical, construction, non-medical professional, transportation and miscellaneous services.	36	47									

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35	Sharp	Expands application of franchise and excise tax to include businesses other than corporations; exempts dividends of publicly held corporations from Hall income tax.	36	47								
36	Beavers	Removes all sales and use tax exemptions.	37	47								
37	Brown	Enacts "Tennessee Equitable Taxation Reform Act of 1999."	37	47								
38	Brown	Enacts "Fair Tax Reform Act of 1999."	37	47								
39	Churney	Enacts "Tax Reform and Revision Act of 1999."	37	47								
40	Brooks, et al	Enacts "Education Funding and Tax Reform Act of 1999"; makes appropriations for 1999-2000 and 2000-2001 fiscal years for purpose of implementing provisions.	42	54								
41	Jones U (Shell), et al	Enacts "Tax Reform Act of 1999."	42	54								
42	Kerr, et al	Imposes tax on the privilege of storing spent nuclear fuel within boundaries of this state.	42	55								
43	Head, et al	Enacts "Tax Reform Act of 1999."	42	55								
44	Turner (Ham), et al	Authorizes, with regard to the Hall income tax, tax credit for taxpayers totally and permanently disabled or who are 65 years old or older; establishes such tax credit in amount of unreimbursed cost of medications prescribed for taxpayer during tax year.	42	55								
45	Kemell, et al	Levies personal income tax of 3 percent on federal adjusted gross income in excess of \$60,000; reduces rate of income tax on stocks and bonds from 6 to 3 percent.	42	55								
46	Turner (Shelby), et al	Authorizes commissioner of commerce and insurance to create assigned risk pool for applicants for health insurance; authorizes commissioner to impose a tax on health insurers to offset costs of such assigned risk pool.	42	55								
47	Hood, et al	Revises franchise tax law relative to taxation of "closely affiliated" corporations.	43	55								
48	Caldwell, et al	Exempts from property tax real estate held by nonprofit economic development organizations.	43	55								

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49	Eckles	Exempts TennCare MCOs and BHOs from 2 percent gross revenues tax with respect to revenues derived from TennCare and TennCare partners program.	43	55								
50	Eckles	Establishes credit for amount of occupation privilege tax against franchise, excise and business taxes owed.	43	55								
51	Eckles	Exempts community agencies providing services to mentally retarded individuals from 6 percent gross receipts tax on ICF/MR beds for any month department of health fails to pay "clean claims" in accordance with the agency's provider agreement.	43	55								
52	Caldwell	Exempts from property tax real estate held by or used for organizations promoting small business development.	43	55								
53	Jackson	Provides tax credit for certain employers who provide health care insurance to employees.	43	55							83	
54	Churney	Proposes amendment to Constitution of Tennessee, Article XI, Section 5, relative to lotteries, imposes a tax on proceeds of lottery winnings to be set by the general assembly.	43	55								
55	McDaniel, et al	Substitutes word "each" for "every" in relation to provision requiring every manufacturer and wholesale distributor of beer to register with commissioner of revenue; makes no substantive change.	43	55								
56	McDaniel, et al	Substitutes word "each" for "every" in relation to requirement that every railroad doing business in this state pay regulation fees; makes no substantive change.	43	55								
57	McDaniel, et al	Omits introductory language relative to fees charged by department of agriculture with no substantive change	43	55								
58	McDaniel, et al	Substitutes word "each" for "every" in relation to requirement that every freight motor vehicle pay safety inspection fee; makes no substantive change.	43	55								

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59	McDaniel, et al	Substitutes word "each" for "every" in relation to provision requiring every resident to pay fees for hunting, fishing and trapping licenses; makes no substantive change.	44	55									
60	McDaniel, et al	Purports to remove language from present law, which is not present.	44	55									
61	McDaniel, et al	Deletes word "all" from provision that all general obligation bonds are subject to financing, refinancing and retirement; makes no substantive change.	44	55									
62	McDaniel, et al	Replaces "each" with "every" relative to requirement that each bank pay for charter application investigation; makes no substantive change.	44	55									
63	McDaniel, et al	Deletes word "all" from provision imposing excise tax on all corporations, cooperatives, joint-stock associations and business trusts; makes no substantive change.	44	55									
64	McDaniel, et al	Replaces "every" with "any" relative to provision taxing every person who provides nursing home care; makes no substantive change.	44	56									
65	McDaniel, et al	Deletes short title from "Retailers' Sales Tax Act"; deletes provision that this tax is in addition to all other privilege taxes; makes no substantive change.	44	56									
66	McDaniel, et al	Substitutes word "each" for "every" in relation to provision requiring every public utility to pay regulation fees; makes no substantive change.	44	56									
67	McDaniel, et al	Removes words "for registration" from trademark provision referencing application for registration; makes no substantive change.	44	56									
68	McDaniel, et al	Substitutes the word "every" for the word "each" in relation to provision requiring each holder of certificate of registration to display such certificate in conspicuous place at location where health club services or facilities provided; makes no substantive change.	44	56									

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69	McDaniel, et al	Substitutes word "Tennessee" for phrase "this state" in regard to permit fees for hotels operating in this state; makes no substantive change.	44	56									
70	McDaniel, et al	Delete word "the" from provision stating that the excise tax is for state purposes only; makes no substantive change.	44	56									
71	McDaniel, et al	Deletes the words "item or" from the provision levying sales tax on each item or article of tangible personal property sold at retail; makes no substantive change.	44	56									
72	McDaniel, et al	Substitutes the word "Tennessee" for phrase "this state" in regard to permit fees for retail food stores operating in this state; makes no substantive change.	45	56									
73	McDaniel, et al	Removes words "specifically and" from sales tax provisions whereby money is allocated specifically and exclusively to the general fund; makes no substantive change.	45	56									
74	McDaniel, et al	Replaces "every" with "each" relative to provision requiring every dealer and distributor to pay privilege tax for selling tobacco products; makes no substantive change.	45	56									
75	McDaniel, et al	Deletes short title of the "Excise Tax Law"; makes no substantive change.	45	56									
76	McDaniel, et al	Deletes word "the" from provision establishing sinking fund of state funding board; makes no substantive change.	45	56									
77	McDaniel, et al	Substitutes word "each" for "every" in provision requiring every insurance company to pay required taxes directly to commissioner of revenue; makes no substantive change.	45	56									
78	McDaniel, et al	Substitutes the phrase "this state" for the word "Tennessee" in relation to provision levying severance tax on gas and oil removed from ground in Tennessee; makes no substantive change.	45	56									
79	McDaniel, et al	Replaces "each" with "every" relative to requirement that each health facility pay annual licensing fee; makes no substantive change.	45	56									

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80	McDaniel, et al	Deletes short title of "Franchise Tax Law"; makes no substantive change.	45	56								
81	McDaniel, et al	Deletes word "the" from provision allowing for supervision and collection of excise tax by department of revenue; makes no substantive change.	45	56								
82	McDaniel, et al	Replaces word "an" with "any" relative to tattoo parlors; makes no substantive change.	45	56								
83	McDaniel, et al	Substitutes word "any" for "each" in relation to provision allowing each county, municipality or solid waste disposal to impose tipping fees at solid waste disposal facilities; makes no substantive change.	45	56								
84	McDaniel, et al	Substitutes the phrase "this state" for the word "Tennessee" in relation to provisions governing child passenger restraint systems in vehicles travelling on roads and highways of Tennessee; makes no substantive change.	46	56								
85	Turner (Shelby)	Enacts "Tennessee Tax Reform Act of 1999."	46	56								
86	Turner (Shelby)	Removes state and local sales tax from food items that are eligible to be purchased under Food Stamp program.	46	56								
87	Hargett	Enacts "Education Affordability Act."	46	57								
88	Jones U (Shel)	Enacts "Tax Reform Law."	46	57								
89	Cole (Dyer)	Reduces state sales tax on sales of tangible personal property from 6 to 3 percent.	46	57								
90	Jackson	Provides tax credit for certain TennCare participating providers depending on volume of TennCare enrollees.	46	57								
91	Kernell, et al	Assesses surcharge on total taxable payroll as determined for unemployment compensation premiums or in lieu of premiums; allows 100 percent credit if employer makes health insurance available to its employees; surcharge to be allocated to TennCare to provide insurance to uninsured.	46	57								

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92	DeBerry L	Removes 2 percent tax on gross revenues of MCOs only with respect to revenues derived from TennCare program.	46	57								
93	Armstrong, et al	Deletes all sales tax exemptions; requires finance ways and means committees by 2/3 vote to annually recommend to general assembly by February 15 exemptions to remain or to be deleted for following fiscal year.									49, 81	
94	McDaniel, et al	Appropriations - Appropriates sum sufficient to fund first year's cost of any legislation enacted in First Extraordinary Session of 101st General Assembly.	92	96							92	